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LETTERS

WEIGHTED CAPITATION FORMULA

Deprived areas will lose out with proposed new capitation formula

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NHS funding is allocated to areas on the principle of providing “equal opportunity of access for equal need.”¹ To help achieve this, the current NHS allocation formula incorporates a deprivation related measure: the “health inequality weighting.”¹ The relative roles of deprivation and age as determinants of health have been subject to political debate over the past years,²⁻⁴ and NHS England is consulting on a new “weighted capitation formula.”^{1 5} This removes any health inequalities style weighting in favour of a person based allocation model of previous health utilisation.¹

Using the data provided by NHS England,¹ we mapped the difference in funding per person between the current formula and the new formula for clinical commissioning groups (CCGs) and NHS area teams (figure 1). This showed that the more affluent, healthier south east will benefit most and the poorer, less healthy north will lose out substantially. For example, in CCGs like South Eastern Hampshire, where healthy life expectancy is 68 years for women, NHS funding will increase by £164 (£193; \$261) per person (+14%). This is at the expense of CCGs such as Sunderland, where healthy life expectancy is 58 years for women, and where NHS funding will decrease by £146 per person (–11%). More deprived parts of London will also lose out, with Camden receiving £273 less per head (–27%).

Although these changes are not on the scale that a purely “age only” allocation formula would produce,³ they are still sufficient to undermine the principle of “equal opportunity of access for equal need.” They are also potentially a first step towards an age only allocation, and they could widen the north-south health divide by reducing NHS services in the north. The new capitation formula is out for consultation and worried *BMJ* readers should respond.⁵

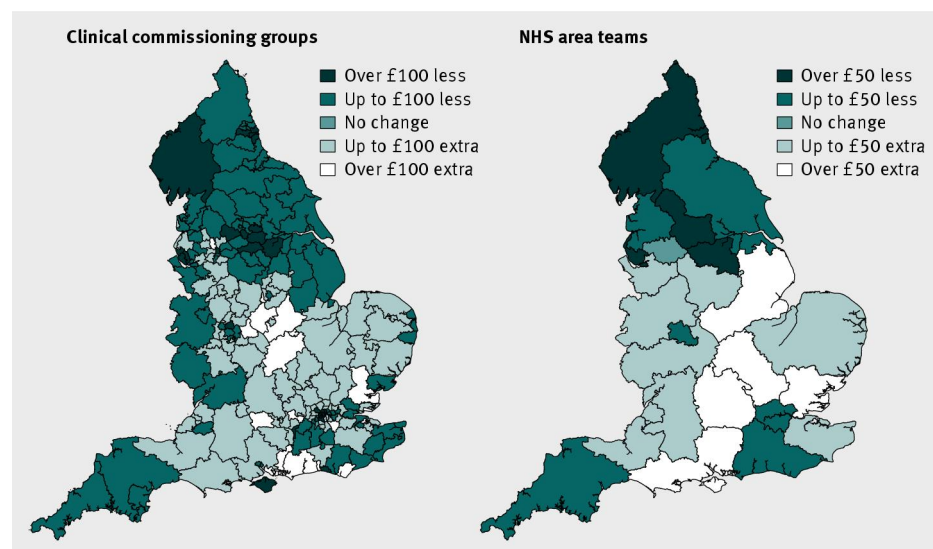
Competing interests: None declared.

- 1 NHS England. Fundamental review of allocations policy. Annex C. Technical guide. 2013. www.england.nhs.uk/wp-content/uploads/2013/08/ann-c-tech-guid.pdf.
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- 5 NHS England. Fundamental review of allocations policy. 2013. www.england.nhs.uk/2013/08/15/rev-all-wrksph/.

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Figure



Change in spending (£/head) between new and old resource allocation funding formulas by clinical commissioning group (left) and NHS area teams (right)